- **Texas and Louisiana (including Federal offshore production) continued to account for the majority of natural gas produced in the United States with 5 States accounting for nearly 80 percent of marketed production.** The remaining 20 percent of production flows from 27 States.

- **The national average natural gas wellhead price was $4.02 per thousand cubic feet in 2001, which was 7 percent higher than in 2000.** In 2001, California had the highest price in the Lower 48 States at $6.93 per thousand cubic feet, while Nebraska had the lowest average wellhead price at $2.16 per thousand cubic feet.

- **After adjustment for inflation, prices in 2001 were the highest since 1984 when they reached $4.07 per thousand cubic feet in 2001 dollars.** The highest wellhead price occurred in 1983 when it was $4.11 per thousand cubic feet.[3]

[3] Prices were converted to constant dollars based on the GDP deflators published by the Bureau of Economic Analysis in the "*National Income and Product Accounts Tables,*" tables 1.1 and 1.2.

Natural Gas Storage Inventories Experienced Record Net Additions

- **Net storage additions for the year were an all-time high of 1,165 Bcf.** The stage for unusually large storage additions was set in the previous year, when underground storage inventories at the beginning of the 2000-2001 heating season were at their third lowest level (2,732 Bcf) in the 26-year span of EIA storage data.[4] After record-setting cold weather in November and December of 2000, stocks ended that year at 1,719 Bcf. Storage levels at the end of March 2001 reached an all-time low of 742 Bcf. Relatively mild weather at the beginning and end of 2001 contributed to reduced consumption, ·which helped support large storage additions. For the U.S. as a whole, total gas-customer weighted heating degree days during 2001 were about 9 percent less than normal; more than 4 percent below normal during January and February, and nearly 25 and 16 percent below normal, respectively, during November and December.

[4] Stock-level information for LNG storage is not available. However, net LNG storage injections and withdrawals are relatively small. For example, less than 1 percent of the 1,165 Bcf in net storage additions in 2001 was due to LNG activity.

Figure 8. Additions, Withdrawals, and Net Change to Storage Inventories, 1997-2001